

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

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|--|---|-------------------------|
| In re:                                     | ) | PROMESA Title III       |
|  | ) |                         |
| THE FINANCIAL OVERSIGHT AND                | ) |                         |
| MANAGEMENT BOARD FOR PUERTO RICO           | ) | Case No. 17 BK 3283-LTS |
|  | ) |                         |
| as representative of                       | ) | (Jointly Administered)  |
|  | ) |                         |
| THE COMMONWEALTH OF PUERTO RICO, <i>et</i> | ) |                         |
| <i>al.</i> ,                               | ) |                         |
|  | ) |                         |
| Debtors. <sup>1</sup>                      | ) |                         |

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|----------------------------------|---|--------------------------------------|
| In re:                           | ) | PROMESA Title III                    |
|                                  | ) |                                      |
| THE FINANCIAL OVERSIGHT AND      | ) |                                      |
| MANAGEMENT BOARD FOR PUERTO RICO | ) | Case No. 17 BK 4780-LTS <sup>2</sup> |
|                                  | ) |                                      |
| as representative of             | ) | (Jointly Administered)               |
|                                  | ) |                                      |
| PUERTO RICO ELECTRIC POWER       | ) |                                      |
| AUTHORITY (“PREPA”),             | ) |                                      |
|                                  | ) |                                      |
| Debtors. <sup>3</sup>            | ) |                                      |

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<sup>1</sup> The Debtors in these title III cases, along with each Debtor’s respective title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

<sup>2</sup> The last four (4) digits of PREPA’s federal tax identification number are 3747.

<sup>3</sup> The PREPA title III case is not jointly administered with the Commonwealth of Puerto Rico, *et al.*, title III cases jointly administered under No. 17 BK 3283-LTS. This Application is filed both in the PREPA Title III case and the Commonwealth of Puerto Rico, *et al.* Title III cases.

**DECLARATION OF HON. SHELLEY C. CHAPMAN (RET.)  
IN SUPPORT OF APPLICATION OF OVERSIGHT BOARD FOR  
ENTRY OF ORDER (I) RATIFYING CONTINUED APPOINTMENT  
OF LEAD MEDIATOR AND (II) APPOINTING WILLKIE FARR &  
GALLAGHER LLP AS SPECIAL ADVISOR TO THE LEAD MEDIATOR**

I, Shelley C. Chapman, declare, pursuant to 28 U.S.C. § 1746, under penalty of perjury that:

1. I am Senior Counsel at the firm of Willkie Farr & Gallagher LLP (“Willkie”), which maintains offices for the practice of law at 787 Seventh Avenue, New York, New York 10019. I am an attorney-at-law, duly admitted to the New York Bar and the bars of the United States District Courts for the Southern District of New York and the Eastern District of New York.

2. I submit this declaration (the “Supplemental Declaration”) to supplement the disclosures contained in the Declaration of John C. Longmire, filed on October 3, 2022 (the “Initial Declaration”), submitted in connection with the application of the Oversight Board to continue my appointment as lead mediator (the “Lead Mediator”) and appointing Willkie as special advisor to the Lead Mediator (the “Application”) [Docket No. 22442]. An order approving the Application was entered on October 7, 2022 [Case No. 17 BK 3283, Docket No. 22557] (the “Order”).

3. The purpose of this Supplemental Declaration is to provide additional disclosures in connection with Willkie’s representation of certain parties in interest in these cases.

4. As disclosed in paragraph 7(e) of the Initial Declaration, Willkie previously represented the Ad Hoc Group of General Obligation Bondholders (the “Ad Hoc Group”) in litigation and restructuring matters in connection with the Title III case for the Commonwealth (and related matters in Title III proceedings relating to claims against Commonwealth assets

asserted by creditors of COFINA and certain “clawback” entities). This representation concluded in April 2022. For the avoidance of doubt, Willkie no longer represents any member of the Ad Hoc Group in matters related to the PREPA mediation or any other issues in these cases. In addition, none of the members of the Ad Hoc Group is a party in the PREPA mediation being conducted by the Lead Mediator.

5. As previously disclosed on Schedule 3 of the Initial Declaration, the following entities are current Willkie clients: (a) Assured Guaranty Corp. and Assured Guaranty Municipal Corp.; (c) Paul Hastings (Europe), LLP; and (d) Proskauer Rose LLP (collectively, the “Current Clients”). These Current Clients (or affiliates thereof) are currently involved in the PREPA mediation. As is typical in a mediation, the Lead Mediator can and may from time to time make statements, take positions, or make recommendations on issues in the mediation which are inconsistent with the positions taken in the mediation by the mediation parties, which include the Current Clients.

6. With respect to Proskauer Rose LLP (“Proskauer”), an attorney in one of Willkie’s European offices previously provided limited general corporate advice to Proskauer on matters wholly unrelated to Puerto Rico, PREPA, or these cases. No Willkie attorneys have billed time to this representation in the past year.

7. Willkie has provided limited general corporate advice to Paul Hastings (Europe) LLP on matters wholly unrelated to Puerto Rico, PREPA, or these cases. Paul Hastings, LLP is involved in the PREPA mediation. Willkie does not currently represent Paul Hastings, LLP in any matters.

8. Willkie also has advised Assured Guaranty Corp. and Assured Guaranty Municipal Corp. on various transactional, regulatory, and tax matters, all of which are wholly unrelated to Puerto Rico, PREPA, or these cases.

9. Willkie's receipts for each of the Current Clients represented significantly less than 1% of Willkie's revenues generated during any of 2019, 2020, 2021, or through the second quarter of 2022. Willkie has not and will not represent any of the Current Clients in connection with PREPA's Title III case or any other Puerto Rico matter, and the Willkie attorneys who represent the Current Clients have not worked on and will not work on any matters related to the PREPA mediation.

10. Accordingly, I believe that none of the representations or relationships recited above would give rise to a finding that Willkie represents or holds an interest adverse to PREPA and PREPA's Title III Case. Further, I do not believe any of the representations or relationships described herein will prevent Willkie from serving as special advisor to the Lead Mediator in any potential matters that will arise in PREPA's Title III Case.

Dated: November 4, 2022  
New York, New York

/s/ Hon. Shelley C. Chapman (Ret.)  
Hon. Shelley C. Chapman (Ret.)  
Willkie Farr & Gallagher LLP